



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

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FOR IMMEDIATE RELEASE

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2002 TAXABLE SALES – FOURTH QUARTER

Claude Parrish, Vice Chairman, State Board of Equalization, announced today that the preliminary statewide calculations for fourth quarter 2002 taxable sales show a slight decline over the actual figures for the same quarter a year ago.

Mr. Parrish estimated that California businesses completed approximately \$113.8 billion in transactions subject to the sales and use tax during the fourth quarter of year 2002—a decrease of about 1.7 percent over the fourth quarter 2001 final total of \$115.7 billion.

Recent taxable sales and their year-to-year percent changes are shown below:

	<u>1st Qtr.</u>	<u>2nd Qtr.</u>	<u>3rd Qtr.</u>	<u>4th Qtr.</u>
Taxable Sales (millions)				
1999	\$ 87,200	\$ 98,056	\$100,450	\$109,029
2000	99,901	110,971	112,490	118,493
2001	104,176	112,318	109,283	115,740
2002	100,957	111,017	110,313 (est.)	113,763 (est.)
Year-to-Year Percent Change				
1999	7.4%	9.0%	9.9%	13.1%
2000	14.6	13.2	12.0	8.7
2001	4.3	1.2	-2.9	-2.3
2002	-3.1	-1.2	0.9 (est.)	-1.7 (est.)

The decrease in fourth quarter sales figures reverses the increase estimated for third quarter 2002. The increase in the third quarter occurred after four consecutive quarters of declines. The fourth quarter decline indicates the continuing slowdown in both the national and California economies.

It is important to note that these fourth quarter 2002 figures are preliminary, based on raw sales tax receipts tabulated before adjustments for any late tax returns. Figures for cities and counties will not be available for another three months.

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